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LETTER DATED 9 APRIL 1998 FROM THE SECRETARY-GENERAL
ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

I have the honour to convey the attached communication, dated 7 April 1998, which I have received from the Director General of the International Atomic Energy Agency.

I should be grateful if you would bring the Director General's letter to the attention of the members of the Security Council.

(Signed) Kofi A. ANNAN

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Best copy available

Annex

Letter dated 7 April 1998 from the Director General of the International Atomic Energy Agency addressed to the Secretary-General

In paragraph 16 of resolution 1051 (1996), of 27 March 1996, the Security Council called for the consolidation of the periodic requirements for progress reports under resolutions 699 (1991), 715 (1991) and 1051 (1996), and requested the Director General to submit such consolidated reports every six months to the Council, commencing on 11 April 1996.

It would therefore be appreciated if you could arrange to transmit to the President of the Security Council the enclosed fifth consolidated semi-annual report under paragraph 16 of resolution 1051 (1996). I remain available for any consultations you or the Council may wish to have.

(Signed) Mohamed ELBARADEI

Appendix

Fifth consolidated report of the Director General of the International Atomic Energy Agency under paragraph 16 of Security Council resolution 1051 (1996)

INTRODUCTION

1. In paragraph 16 of resolution 1051 (1996), adopted on 27 March 1996, the Security Council called for the consolidation of the periodic progress reports required under resolutions 699 (1991), 715 (1991) and 1051 (1996), and requested the Director General of the International Atomic Energy Agency (IAEA) to submit such a consolidated report every six months to the Council, commencing on 11 April 1996.

2. The Director General submits herewith the fifth[a] such consolidated report under paragraph 16 of resolution 1051 (1996).

PROGRESS REPORT FOR THE PERIOD 1 OCTOBER 1997 TO 1 APRIL 1998

Inspection activities

3. In the period under review (1 October 1997-1 April 1998), the IAEA Nuclear Monitoring Group carried out 211 monitoring inspections at some 93 locations, of which 18 inspections were carried out at locations not previously inspected. The total number of ongoing monitoring and verification (OMV) inspections carried out to date now totals almost 1,250. The majority of these were carried out with no prior announcement, and a number of them were conducted in cooperation with the monitoring groups of the United Nations Special Commission (UNSCOM). No indication of prohibited materials, equipment or activities was detected during these inspections.

4. IAEA and UNSCOM have continued their implementation of a joint programme of inspection of Iraqi sites which, in the judgement of IAEA and UNSCOM, are deemed to have capabilities suitable for conducting work on some aspect of weapons of mass destruction, notwithstanding the lack of evidence or indication of such work. In consultation with IAEA, UNSCOM established a special team, within the Baghdad Monitoring and Verification Centre (BMVC) organization, which was to include the planning and execution of capable site inspections by joint IAEA/UNSCOM multidisciplinary teams as a major component of its activities. The carrying out of inspections at capable sites on a regular basis contributes to the effectiveness of the OMV plan in its ability to detect any attempt by Iraq to conduct activities prohibited by Security Council resolutions. The current total of inspections at capable sites numbers some 45. No indication of

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[a] The previous consolidated reports of the Director General of IAEA were circulated as documents S/1996/261 on 11 April 1996, S/1996/833 on 7 October 1996, S/1997/297 on 11 April 1997 and S/1997/779 on 8 October 1997.

prohibited equipment, materials or activities has been detected in these inspections.

5. The tenth radiometric survey of Iraq's main watercourses was carried out from 20 to 30 October 1997. The results of this and previous surveys have shown no indication of Iraq having carried out any prohibited nuclear activities, but, as previously reported, they have confirmed the sensitivity of the technology by detecting Iraq's permitted use of radioisotopes in medical applications.

6. The OMV activity of conducting routine interviews of key Iraqi personnel has continued but the efficiency of this activity is increasingly affected by difficulties in locating such personnel owing to their stated transfer from government jobs to the private sector. Further work has been done to improve the implementation of aerosol sampling and fixed-point and land-vehicle-based radiometric surveys. Work is currently in progress to evaluate the practicability of a plan for wide-area environmental monitoring as a means of strengthening OMV activities.

7. With the support of a Member State, an extensive baseline survey of environmental tritium concentrations was carried out over a period of 20 days in November and December 1997. In addition, the survey team collected samples of tree sections to confirm the nature and chronology of past tritium activities.

8. In anticipation of the implementation of additional OMV technical measures, a decision was taken in the autumn of 1997 to increase the staffing of the Nuclear Monitoring Group. IAEA has essentially depended on six Member States to provide personnel resources to support its activities in Iraq but, on this occasion, requests were made to some 20 additional Member States to provide suitably qualified technical experts for short-term assignment to work with the IAEA Nuclear Monitoring Group in Iraq. About half of the Member States approached responded both promptly and positively such that IAEA is already able to satisfy its additional staffing requirements well into 1999. It is hoped that other Member States will also provide such resources in the future.

9. As a result of Iraq's action of 29 October 1997, through which it sought to impose conditions on the inspection process, the Agency's ongoing monitoring and verification activities were suspended between 30 October and 22 November 1997. Monitoring inspections were restarted on 22 November at the more significant sites and, for the period from 25 November to 4 December, IAEA assigned an additional 11 persons to the Nuclear Monitoring Group in order to expedite the completion of inspections required to re-establish baseline knowledge. The team carried out a total of 49 monitoring inspections and radiation mapping surveys in the 10-day period and were able to conclude that there were no indications of prohibited activities having been undertaken at the facilities inspected. Furthermore, the team was able to confirm that there were no indications that movements of equipment and materials, other than those declared by Iraq, had occurred and that all equipment and materials had been returned to their former locations.

Entry to presidential sites

10. A member of the IAEA Iraq Action Team participated, as a technical adviser, in the Secretary-General's delegation that visited Iraq in February 1998 to discuss a mechanism through which to secure access, for UNSCOM and IAEA, to locations designated by Iraq as presidential sites. As reported by the Secretary-General, the visit resulted in the signing, on 23 February 1998, of a memorandum of understanding between the Secretary-General and the Government of Iraq, recording, inter alia, Iraq's reconfirmation of its acceptance of all relevant resolutions of the Security Council; Iraq's reiteration of its undertaking to cooperate fully with UNSCOM and IAEA; Iraq's undertaking to accord to UNSCOM and IAEA immediate, unconditional and unrestricted access in conformity with Security Council resolutions; and outlining special procedures for initial and subsequent entries to presidential sites, which would be implemented by a special group established for that purpose, headed by a commissioner, appointed by the Secretary-General, and comprising senior diplomats appointed by the Secretary-General and experts drawn from UNSCOM and IAEA. A list of locations designated by Iraq as presidential sites is annexed to the memorandum of understanding.

11. During the period from 26 March to 3 April, 15 IAEA experts participated in the special group, referred to above, which made entry to all of the locations designated by Iraq as presidential sites, for the purpose of establishing baseline data to facilitate any future entry to these sites. The IAEA experts, working as part of the special group, were able to complete their mandated tasks and were provided with practical cooperation from the Iraqi counterpart. The mandated tasks conducted at the eight presidential sites revealed no immediate indications of the presence of prohibited materials or equipment or of the conduct of prohibited activities with respect to the mandate of IAEA under the relevant Security Council resolutions.

Declarations under the OMV plan

12. Paragraph 22 and annex 2 of the OMV plan (S/22872/Rev.1 and Rev.1/Corr. 1) require Iraq to provide semi-annual declarations in January and July on the current use of facilities, installations and sites, including those formerly involved in its clandestine nuclear programme, and on changes during the previous six months regarding the inventory and location of materials, equipment and isotopes identified in annexes 3 and 4 of the plan.

13. In response to an IAEA request, Iraq's declarations for both of the six-month periods of 1997 have contained expanded information on certain sites involved in the production of materials, equipment and components, as well as sites involved in design and in research and development work. Iraq's declaration for the second half of 1997 includes information on activities undertaken at those sites during that period; the current organizational structure of individual sites and their key management staff; the basic elements of the implemented programmes and the associated budgets, material, equipment and components produced; main customers; technical reports issued during 1997 and activities planned for 1998. As requested, the declarations also include more complete information on Iraq's isotope holdings. The expanded information provided by the Iraqi counterpart will assist IAEA in improving the efficiency

of its monitoring and verification activities in Iraq. However, there remain a number of sites for which the requested information was not provided and, in general, there is a continuing need for improvement in the consistency and accuracy of the data.

14. Iraq's declaration of nuclear material transactions and inventories covering the period from 1 January 1989 to 31 December 1991 were reviewed in detail with the counterpart to further clarify nuclear material flows and inventories at the principal locations at which nuclear material was used or stored during that period. The Iraqi counterpart has provided revised data that appears to take into account many of the requested clarifications. The data are currently under detailed review.

15. Based on the Agency's evaluation of the declarations received in January 1998, a number of matters were identified as requiring action by the Iraqi counterpart to further improve the accuracy and completeness of the declarations. In particular, the Iraqi counterpart has been requested repeatedly to implement quality assurance measures to deal with generic problems regarding accuracy, completeness and internal consistency.

Release, relocation and change of use of equipment, material and facilities

16. In the period under review, Iraq's National Monitoring Directorate submitted 23 requests to IAEA for approval of the release/relocation of equipment and materials or of the change of use of monitored buildings. Such requests are processed in consultation with the Special Commission. Eighteen of the 23 requests have been approved, two have been declined and the remainder are awaiting the provision of additional information by the Iraqi counterpart. Items for which release, relocation or change of use is approved remain subject to ongoing monitoring and verification at a frequency commensurate with their significance.

Export/import mechanism

17. The export/import monitoring mechanism for Iraq, jointly administered by UNSCOM and IAEA, has, since October 1996, received notifications of some 130 transactions involving the intended export to Iraq of items identified in the annexes to the respective OMV plans. Two of these notifications potentially involve items identified in annex 3 to the IAEA OMV plan and are currently under technical review.

Action Team Leader technical discussions in Iraq

18. As reported in the note by the Secretary-General of 15 January 1998 (S/1998/38), the Leader of the IAEA Action Team, accompanied by a team of IAEA technical personnel, visited Iraq from 19 to 22 December 1997 to endeavour to clarify, inter alia, the five matters enumerated in paragraph 75 of the Agency's fourth consolidated report to the Security Council (S/1997/779). During that same visit, further discussions were held regarding (a) the status of the design options for Iraq's planned nuclear weapon and (b) the Agency's access to reports that Iraq's nuclear team had been required to submit to the head of Iraq's clandestine nuclear programme (PC-3), regarding their interaction with IAEA

inspection teams. The use by IAEA and UNSCOM of fixed-wing aircraft within Iraq for logistical and technical purposes was also discussed.

19. The December 1997 discussions resulted in the provision by Iraq of information regarding its post-war procurement procedures; Iraq's assistance in the identification of the foreign principals involved in the offer of assistance to Iraq's clandestine nuclear programme under assessment by IAEA; Iraq's statement that it had no objection to the Agency's use of fixed-wing aircraft for technical monitoring purposes; Iraq's undertaking to attempt to locate the reports of its nuclear team referred to in paragraph 18 above; Iraq's agreement to produce a summary of the technical achievements of its clandestine nuclear programme; and Iraq's agreement to issue a consolidated version of its full, final and complete declaration.

20. At the same time, the Iraqi counterpart reaffirmed that following the Gulf war, the late Lieutenant-General Hussein Kamel had taken actions related to Iraq's clandestine nuclear programme that were independent, unauthorized and without the knowledge of the Government of Iraq; that Iraq had not followed up any offers of assistance to its clandestine nuclear programme other than the declared foreign assistance to its centrifuge programme; and that the so-called "high governmental committee", initially described by the Iraqi counterpart to have been established in June 1991 and headed by Deputy Prime Minister Tariq Aziz, had not, in fact, been an established entity. As previously reported, IAEA has no independently verifiable information through which to confirm or confute the above statements.

21. The Leader of the IAEA Iraq Action Team, accompanied by another team member, made a further visit to Iraq from 22 to 25 March 1998, to follow up matters arising from the December 1997 visit. In the course of discussions, the Iraqi counterpart reported that it had been unsuccessful in its attempts to locate the reports of the Iraqi nuclear team referred to in paragraph 18 above. IAEA pointed out that it had identified what appeared to be sections of these reports, along with internal distribution cover-letters, on word-processing diskettes which Iraq had previously provided to IAEA. The Iraqi counterpart declared its willingness to assist IAEA to identify files on the word-processing diskettes containing reports of the Iraqi nuclear team and undertook to determine whether such reports might still be found in the files of the former Chairman of the Iraqi Atomic Energy Commission.

22. In response to an earlier IAEA request, the Iraqi counterpart had provided to IAEA a copy of the minutes of a meeting held on 12 January 1991, in which a decision had been taken regarding the overall dimensions of the spherical wave explosive lenses. This three-page record was observed to have been extracted from a bound document and, during the March discussions, the Iraqi counterpart was asked to provide the entire document to IAEA. The document was received in Baghdad on 1 April 1998.

23. The question of Iraq's response to offers of assistance to its clandestine nuclear programme was addressed again and further information was provided by the Iraqi counterpart to facilitate the identification of the foreign nationals involved in the case in question. In this connection, a formal approach has

recently been made to the Government of one of the foreign nationals in order to address the wider proliferation-related implications.

24. The Iraqi counterpart was asked to provide a statement on the status of its obligations under paragraph 34 of the IAEA OMV plan, which requires that Iraq adopt the necessary measures to implement its obligations under resolutions 687 (1991) and 707 (1991), and other relevant resolutions and the Agency's OMV plan, and, in particular, to enact penal laws to prohibit all natural and legal persons under Iraq's jurisdiction or control from undertaking anywhere any activity that is prohibited for Iraq by relevant Security Council resolutions or by the Agency's OMV plan. According to the Iraqi counterpart, the required penal laws are under active consideration.

25. Matters were discussed arising from the Agency's recent interview of one of the foreign nationals who had contributed to Iraq's centrifuge enrichment programme. The principal outcome of that interview, facilitated by a Member State, was the foreign national's statement that he had made only two batches of carbon fibre composite cylinders (in total, 18 cylinders) for centrifuge rotors. This statement differs considerably from that of the Iraqi counterpart, who attributed the supply of 50 cylinders to the individual concerned.

26. The Iraqi counterpart was firm in its insistence that the foreign national had, in fact, been the sole source of carbon fibre composite cylinders and that the number so supplied had been 50. The Iraqi counterpart reiterated that the first batch of 20 cylinders had been determined, by theoretical analysis, to have been wound to an inappropriate specification, having been based on the dimensions of the cylinder designed to be manufactured from maraging steel. The Iraqi counterpart arranged for the IAEA team to interview the person involved in the receipt of the carbon fibre composite cylinders. The person interviewed provided a detailed description of the manner in which two consignments, comprising the 30 cylinders of the second batch, had been received from the foreign national. The explanation was credible and supported Iraq's earlier statements that all 50 cylinders had been supplied by the same foreign source.

27. The Leader of the IAEA Iraq Action Team met with Deputy Prime Minister Tariq Aziz and took the opportunity to explain that the Agency's interest in the so-called "high governmental committee" and the actions attributed to the late Lt.-Gen. Hussein Kamel, centred on the Agency's attempt to locate documentary evidence supporting Iraq's declaration that it had abandoned its clandestine nuclear programme. It was further explained that IAEA had hoped to locate an Iraqi Government decree formally abandoning the programme but had been advised that no such decree existed. The matter was followed up in a written request to Mr. Aziz to determine whether any official Iraqi document existed to record a government-level decision to abandon the clandestine nuclear programme.

28. The opportunity was also taken to explain that a shift of focus to ongoing monitoring and verification activities would not result in a non-intrusive inspection regime. It was made clear that the technical activities employed by IAEA in its inspections of Iraq's clandestine nuclear programme were essentially the same as those employed in the Agency's OMV activities. It was clarified, however, that IAEA had long experience in technical inspection activities and was mindful of the need to minimize the disturbance to Iraq's industrial and

technical activities that might result from OMV activities, without compromising the effectiveness of those activities. To this end, IAEA had held several discussions with the Iraqi counterpart to encourage it to examine its own activities - with particular respect to escorts - to assist IAEA in carrying out its OMV activities with minimum disturbance to the operation of the facilities under inspection.

Iraq's full, final and complete declaration

29. On 25 March 1998, Iraq provided to IAEA a computer disk containing its full, final and complete declaration, along with annexes and addenda, consolidating the text of the version dated 7 September 1996 and the revisions and additions resulting from subsequent technical discussions between IAEA and the Iraqi counterpart. The consolidation of the full, final and complete declaration, which was an editorial task, brought together into one document information provided by the Iraqi counterpart and previously examined by IAEA, in particular during technical team visits in February, May and July 1997.

Summary of technical achievements

30. As previously reported, it was agreed during the December 1997 visit (para. 19 refers) that Iraq would produce a document summarizing the technical achievements of its clandestine nuclear programme. It was further agreed that an IAEA technical team would meet with the Iraqi counterpart, in Baghdad, to review and assess the document so produced. The first version of the document was received in Vienna on 5 February 1998 and was found to require considerable revisions and additions which were brought to the attention of the Iraqi counterpart during a series of technical discussions held in Baghdad from 14 to 19 February. Iraq responded to these discussions by producing a significantly improved document, which was received in Vienna on 13 March 1998. This second document was subjected to a detailed technical review during a second series of discussions held in Baghdad from 26 March to 4 April. As a result of this review, the Iraqi counterpart produced a document containing a summary of the technical achievements of its clandestine nuclear programme which is regarded by IAEA to be consistent with the technically coherent picture of Iraq's clandestine nuclear programme, developed by IAEA in the course of its activities in Iraq.

Summary

31. IAEA continues its programme to update the technology used in its monitoring activities and to extend the range of those activities. A component of this latter aspect is the completion of the baseline survey focused on environmental tritium concentrations. Work in other areas of technology is being actively pursued with the help of Member States. In keeping with the ongoing expansion of IAEA technical activities, the staffing of the IAEA Nuclear Monitoring Group has been increased through the provision of additional personnel resources from Member States.

32. During the period from 26 March to 3 April 1998, 15 IAEA experts participated in the special group, established under the memorandum of understanding agreed between the Secretary-General and the Government of Iraq on

23 February 1998, for the purpose of making entry to Iraq's presidential sites. The surveys undertaken by the special group were completed efficiently and were, in most instances, facilitated by practical cooperation provided by the Iraqi counterpart. The surveys conducted at the eight presidential sites revealed no immediate indications of the presence of prohibited materials or equipment or of the conduct of prohibited activities with respect to the mandate of IAEA under the relevant Security Council resolutions.

33. The Agency's ongoing monitoring and verification activities carried out since October 1997 have not revealed indications of the existence in Iraq of prohibited equipment or materials or of the conduct of prohibited activities.

34. Iraq has satisfactorily completed its undertaking to produce a consolidated version of its full, final and complete declaration of its clandestine nuclear programme.

35. The Iraqi counterpart has fulfilled its obligation to produce a document containing a summary of the technical achievements of its clandestine nuclear programme. The summary is regarded by IAEA to be consistent with the technically coherent picture of Iraq's clandestine nuclear programme developed by IAEA in the course of its activities in Iraq.

36. As previously reported, IAEA is focusing most of its resources on the implementation and strengthening of the technical content of its activities under the OMV plan. IAEA will, however, continue to exercise its right to investigate any aspect of Iraq's clandestine nuclear programme, in particular through the follow-up of any new information developed by IAEA or provided by Member States, and to destroy, remove or render harmless any prohibited items discovered through such investigations.

37. In carrying out its activities in Iraq, IAEA has benefited from the assistance and cooperation of the United Nations Special Commission and, in particular, from the support of certain IAEA Member States which have provided technical personnel resources, access to advanced technologies and access to information.